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FPE-PIONEER ELECTRIC LIMITED

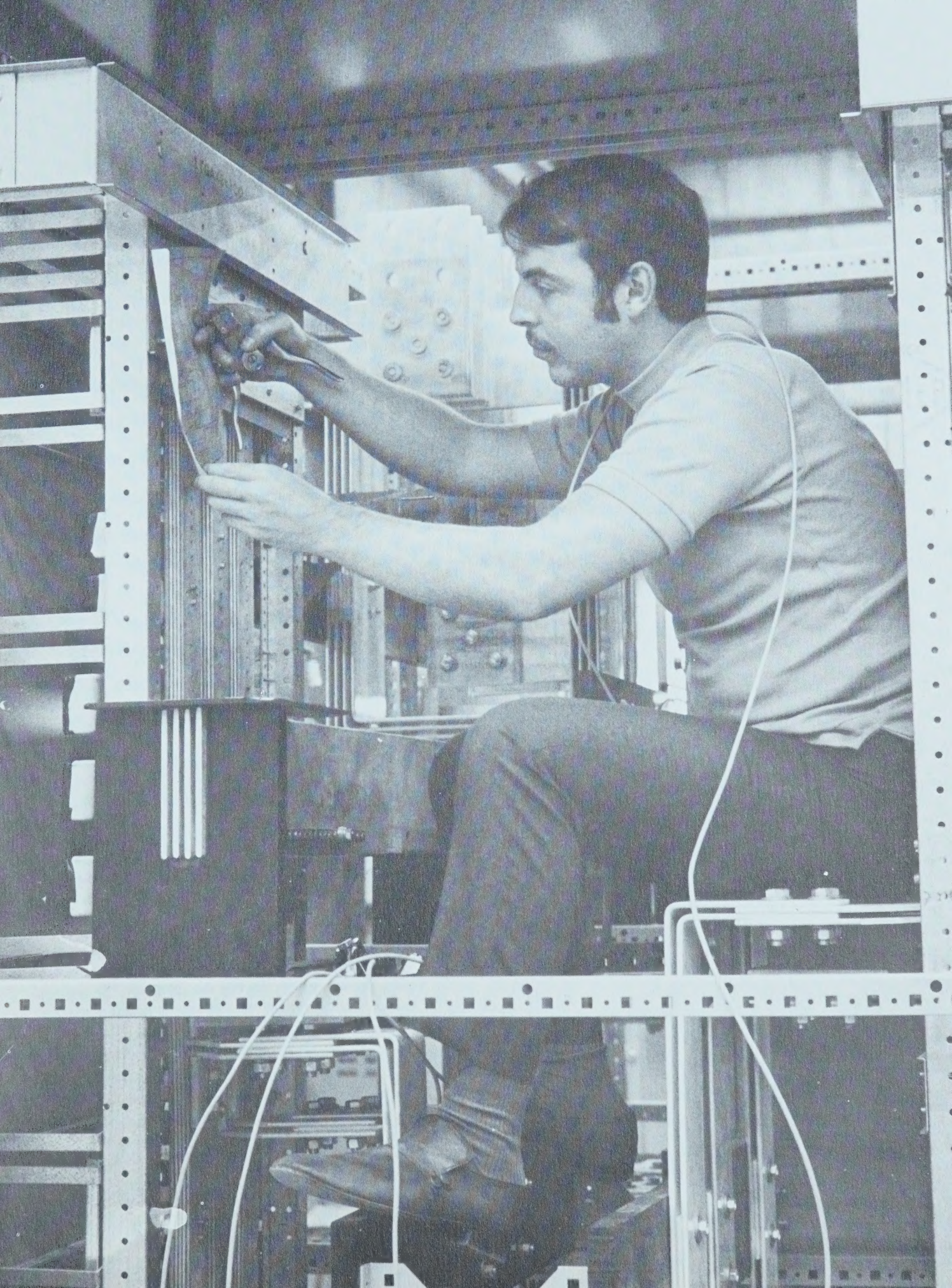
1970 ANNUAL REPORT



The annual meeting of the Company is to be held in the Wilket Creek Room,
Inn On The Park, Toronto, Thursday, November 12th, at 11 a.m.



A 600 volt Metal Enclosed Switchboard being assembled at the Bramalea plant.



Directors

Benjamin W. Ball
John B. Clements, Q.C.
Edward W. Darby
Martin Horwitz
Edwin Jacobson
T. Peter N. Jaffray
Richard Noonan
Jacob S. Vanderploeg
Jack Wilder

Officers

Richard Noonan
Chairman of the Board
Benjamin W. Ball
President and Chief Executive Officer
A. Gordon Daley
Vice-President
Harry L. Livingstone
Vice-President
Thomas Shkordoff
Vice-President
Kenneth J. Thompson
Vice-President
Edward W. Darby
Secretary and Treasurer
Alan D. Amos
Comptroller and Assistant Secretary

Financial highlights

	1970	1969	1968	1967	1966	1965
Net sales.....	39,272,817	36,904,989	33,579,069	30,564,488	25,925,741	20,778,119
Income taxes paid or payable.....	1,870,000	1,880,000	1,745,000	2,186,000	1,740,180	1,601,345
Net earnings after taxes.....	1,627,661	1,572,971	1,777,187	2,069,555	1,742,505	1,237,651
Percent of sales.....	4.1	4.3	5.3	6.8	6.7	6.0
*Per share (class A and class B).....	1.51	1.47	1.80	2.30	1.96	1.35
Number of class A and class B shares outstanding.....	990,145	979,115	967,907	855,781	807,429	759,640
Dividends declared:						
1st preference shares.....	137,742	143,738	155,072	190,922	209,775	219,582
Class A shares.....	275,732	228,444	192,655	140,683	122,798	113,050
Class B shares.....	291,272	323,186	323,964	323,960	323,649	31,136
Property, plant and equipment, net. . . .	7,282,629	6,818,067	6,004,780	4,734,627	3,701,747	3,222,807
Working capital as at year end.....	12,013,808	11,542,611	11,547,564	10,281,118	5,807,075	5,026,448
Average number of employees.....	2,000	1,900	1,800	1,700	1,400	1,200
Number of shareholders.....	1,280	1,300	1,500	1,700	2,050	2,100

*Calculated after giving effect to the payment of First Preference Share dividends and upon the weighted average number of shares outstanding during the year.

Report to shareholders

During the year ended June 30, 1970, both sales and earnings increased over the performance in 1969. This was achieved despite certain adverse conditions experienced during the year. A nine week strike occurred in the Winnipeg plant and there was a prolonged strike in the Vancouver plant. In addition, the fall-off in housing starts in Canada has affected both volume and profit.

A further abnormal burden was the start-up expense in the Switchgear plant at Bramalea, Ontario. This new leased plant was occupied in April, 1970, although the formal opening did not take place until June 25th. The opening ceremony was performed by Mr. George Gathercole, Chairman of the Ontario Hydro Electric Power Commission. His kindness in agreeing to take the time to carry out this function is much appreciated by your Board of Directors.

The Bramalea plant affords 80,000 square feet of office and production space with an adequate land area for future expansion. Your Company holds an option to purchase the facility at cost exercisable at any time during the next five years. This new plant has permitted the removal of switchgear manufacturing from the formerly leased premises at Bermondsey Road, East York. The manufacture of air circuit breakers and panel boards has also been transferred to the Bramalea plant.

Last year it was reported that hearings were being held regarding the alleged dumping of transformers and other heavy electrical apparatus in Canada by overseas manufacturers. It is regrettable that this matter has not been brought to a conclusion, although the Department of National Revenue has found that dumping did take place.

The program for your Company's Power Equipment Division, mentioned in the last annual report, involving the manufacture of nine 170,000 KVA Extra High Voltage AC/DC transformers for the Peace River development has come to fruition, and the first 500,000 volt transformer has been delivered to site. It can also be reported that four of the nine AC/DC transformers for the Nelson River Development have been shipped.

Besides these very significant accomplishments, your Company, during the past year, has developed and successfully field tested a 15,000 volt on load tap changer incorporating vacuum switches for arc interruption. The first production unit will be used on the station

service transformers for Manitoba Hydro Electric Power Commission at its Kettle Rapids Generating Station.

Tests have been satisfactorily completed on 5000V 350 MVA magnetic air circuit breakers. Recently one of the leading utilities placed an order with the Company for 200 cells of metalclad switchgear incorporating these breakers. The availability of this class of equipment now makes it possible for the Company to quote on any Canadian requirements for steam or nuclear generating station medium voltage switchgear.

Because of the increasing size and complexity of large electrical apparatus and the difficulties experienced by many of the utilities in procuring dependable equipment, great stress is being laid on quality control. Your Company has placed increased emphasis in this area and numerous research and development programs are in progress. One of great significance involves the behavior of transformers under short circuit conditions. The mechanical forces produced through faults, and the materials and clamping structures required to withstand such forces, are being investigated. Through continuing research and development on short circuit forces in, and mechanical strengths of, transformer windings, the Company will continue to supply the electrical industry with transformers which should withstand the greater short circuit forces to which they may be subjected during their normal life expectancy.

During the past year a vapour phase drying plant was installed in the Winnipeg plant. This drying plant is one of the most modern on the continent and is capable of drying transformers to an extraction level of less than 10 cc of water per hour.

To further enhance the quality assurance program your Company has launched a training scheme for production workers. The system being used is designed to provide a first class standard of training in order to prepare workmen for the high quality of work they will be expected to perform. This training will be carried out using all the modern training devices available. In the electrical industry the quality of craftsmen required is changing because of the development in engineering technology. New and more efficient methods of manufacture require new skills to build, set up and service the advanced equipment now in use, and which will come into use in the future. Those persons now entering the service of the Company must and do have a better education, and are capable of developing

skills and technical knowledge more quickly and more thoroughly than in the past.

The export sales of the Company continue to increase ; however, the action of the Federal Government in freeing the Canadian dollar to find its own level on the international exchange markets has resulted in an automatic decrease in selling prices and, consequently, in profit on export business. It is to be hoped that it will be felt possible in the near future for a fixed rate again to be established for the Canadian dollar which will remove the uncertainty at present being experienced by Canadian exporters.

In November, 1969, negotiations were completed covering the acquisition by your Company of the outstanding common shares of Eastech Limited, a Nova Scotia corporation with a small but modern and efficient plant at Windsor, Nova Scotia. While this is not a large operation, its products complement and round out your Company's line of ground fault protection equipment.

Looking forward into the coming fiscal year, it must be stated that the economic climate shows much uncertainty. A continuing policy of tight money will inevitably affect the construction industry and particularly housing starts. It should also be stated, however, that the inflow of orders for industrial projects has been very good and that the backlog of customers' orders for such jobs is at an all time high. Among the more significant of such orders is one which covers a considerable portion of the distribution equipment for the new Commerce Court complex in downtown Toronto. This order was obtained in competition with all national manufacturers of such equipment. It is gratifying to be able to report this in view of the very satisfactory relations which have existed between your Company and the Canadian Imperial Bank of Commerce over a period of many years.

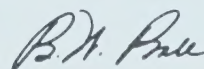
As Shareholders may be aware, your Company has in the past operated both directly and indirectly through subsidiaries divided into two Divisions, the Federal Pacific Electric Division and the Pioneer Electric Division. Each of the subsidiaries has carried on business under its own name in dealing with customers, suppliers and in advertising. It has been decided that, in future, the name FPE-Pioneer Electric Limited will be emphasized with the name of the Division also shown. There will be no change in operating procedures ; it is felt, however, that this policy should clarify the relationship between the

Divisions and minimize duplication of effort which could otherwise occur from time to time. At the same time, Sales offices of the Divisions will be physically merged where practicable to ensure a centralized sales approach covering all products of the Company. Sales of specialized products will, however, continue to be handled by Sales Engineers especially qualified in those products. A further value to the new policy will be the possibility of centralization of such service functions as Advertising and Accounting.

During the year, Mr. R. Noonan, the Chairman of the Board, accepted a senior position with the Federal Pacific Electric Company of Newark, New Jersey and relinquished his day-to-day functions with the Pioneer Electric Division — for which he had been responsible for many years. Mr. H. L. Livingstone, who has been with the Pioneer Electric Division since its inception, became its General Manager. Mr. Thomas Shkordoff became Western Manager of the Division, succeeding Mr. Livingstone. Mr. Hans Gaastra, formerly Manager of the Granby transformer plant has been appointed Manager of the Eastern Division. On July 1st, Mr. A. G. Daley was appointed General Manager of the Federal Pacific Electric Division. These men have all had considerable experience with the Company and its products and the new appointments will continue the record of high quality management which the Company has had in the past. The enthusiastic support of our employees at all levels is of a very high order.

Consideration is presently being given by your directors to the acquisition of control of Federal Electric Limited of Wolverhampton, England, which is presently held by Federal Pacific Electric Company of the United States. Indications are that such an acquisition would complement the overseas activities of your Company in Australia and Jamaica and, in the event of the United Kingdom becoming a member of the European Common Market, it should also provide an important market for a considerable range of our distribution products, as well as significant penetration of the large U.K. domestic market.

Submitted on behalf of the Board of Directors,
October, 1970.



B. W. Ball,
President and Chief Executive Officer.

FPE-PIONEER ELECTRIC LIMITED
and subsidiary companies

Consolidated statement of earnings

	Year ended June 30	
	1970	1969
Net sales	\$39,272,817	\$36,904,989
Earnings before deducting the undernoted items	\$ 4,801,029	\$ 4,667,726
Deduct:		
Depreciation	615,245	483,644
Amortization of patents	6,579	6,197
Amortization of debenture discount and expense	13,771	10,245
Interest on long-term debt	312,697	313,057
Remuneration paid to directors and senior officers	355,076	401,612
	1,303,368	1,214,755
Earnings before income taxes	3,497,661	3,452,971
Income taxes (Note 5)	1,870,000	1,880,000
Net earnings for the year	\$ 1,627,661	\$ 1,572,971
Earnings per Class A and Class B share	\$ 1.51	\$ 1.47
Fully diluted earnings per share (Note 9)	1.36	1.33

See accompanying notes to financial statements.

Consolidated statement of retained earnings

	Year ended June 30	
	1970	1969
Balance at beginning of year	\$ 8,750,063	\$ 8,022,960
Add—Net earnings for the year	1,627,661	1,572,971
	10,377,724	9,595,931
Deduct:		
Dividends declared—		
On 5½% first preference shares—\$2.75 per share	137,742	143,738
On Class A shares—56¢ per share	275,732	228,444
On Class B shares—56¢ per share	291,272	323,186
	704,746	695,368
Provision for deferred income taxes of prior years	—	150,500
	704,746	845,868
Balance at end of year	\$ 9,672,978	\$ 8,750,063

See accompanying notes to financial statements.

Auditors' report

To the Shareholders of FPE-Pioneer Electric Limited:

We have examined the consolidated balance sheet of FPE-Pioneer Electric Limited and subsidiary companies as at June 30, 1970 and the consolidated statements of earnings, retained earnings and source and application of working capital for the year then ended. Our examination was made in conformity with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the companies as at June 30, 1970 and the results of their operations and the source and application of their working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario
August 26, 1970

(Signed) Price Waterhouse & Co.
Chartered Accountants.

Consolidated balance sheet

	June 30	
	1970	1969
ASSETS		
Current assets:		
Cash	\$ 196,029	\$ 231,129
Accounts receivable	7,988,608	8,928,079
Receivable from affiliated companies	982,507	1,867,123
Inventories, at lower of cost and realizable value (Note 1)	15,131,219	12,201,965
Tender deposits	163,946	558,158
Prepaid expenses and other deposits	392,973	285,569
Total current assets	24,855,282	24,072,023
Fixed assets, at cost:		
Land	429,801	429,071
Buildings	4,949,526	4,866,253
Machinery and equipment	5,970,625	4,966,774
	11,349,952	10,262,098
Less—Accumulated depreciation	4,067,323	3,444,031
	7,282,629	6,818,067
Excess of cost of shares of subsidiaries over net book value (Note 2)	1,406,826	1,267,808
Patents	65,491	70,251
Deferred charges (Note 4)	180,620	213,429
	<u>\$33,790,848</u>	<u>\$32,441,578</u>
LIABILITIES		
	1970	1969
Current liabilities:		
Bank indebtedness—		
Operating loans and overdrafts	\$ 3,737,025	\$ 4,408,836
Tender deposit loans	134,653	558,158
Notes payable—guaranteed by bank	2,000,000	1,000,000
Accounts payable and accrued liabilities	5,708,622	5,074,482
Payable to affiliated companies	643,438	621,691
Income and other taxes payable	503,667	760,196
Dividends payable	114,069	106,049
Total current liabilities	12,841,474	12,529,412
Deferred income taxes (Note 5)	419,200	380,500
Long-term debt, less current portion (Note 6)	4,462,426	4,539,308
Minority shareholders' equity in subsidiary company (Note 2)	9,500	—
SHAREHOLDERS' EQUITY		
Capital stock (Notes 7 and 8):		
First preference shares \$50 par value, voting:		
Authorized—169,933 shares		
Issued and fully paid—49,933 shares (1969—50,648 shares)	2,496,650	2,532,400
Class A and Class B shares without nominal or par value, voting:		
Authorized—		
3,120,268 Class A shares		
1,500,000 Class B shares of which 111,200 have been issued and converted to Class A shares		
Issued and fully paid—		
522,837 Class A shares (1969—456,207 shares)	3,524,672	3,302,647
467,308 Class B shares (1969—522,908 shares)	363,948	407,248
	6,385,270	6,242,295
Retained earnings	9,672,978	8,750,063
	<u>16,058,248</u>	<u>14,992,358</u>
	<u>\$33,790,848</u>	<u>\$32,441,578</u>
On behalf of the board:		
(Signed) B. W. Ball, Director	(Signed) E. W. Darby, Director	
<i>See accompanying notes to financial statements.</i>		

FPE-PIONEER ELECTRIC LIMITED
and subsidiary companies

Notes to consolidated financial statements June 30, 1970

1. Inventories:

	1970	1969
Inventories comprise:		
Raw materials	\$ 3,818,191	\$ 3,520,558
Work in process	9,835,029	7,179,602
Finished goods	1,477,999	1,501,805
	<u>\$15,131,219</u>	<u>\$12,201,965</u>

2. Acquisition of subsidiary companies:

(a) Effective October 31, 1969 the company purchased 550 common shares and acquired an option on the remaining 120 outstanding common shares of Eastech Limited for cash and 8,170 Class A shares of FPE-Pioneer Electric Limited. The option entitles the company to acquire the remaining common shares for a nominal amount. Preferred shares of Eastech Limited with a par value of \$9,500 are held by minority shareholders. For accounting purposes this subsidiary is treated as though it were wholly-owned, except for the minority held preferred shares.

(b) The company holds 946,986 common shares of FPE Australia Pty. Limited. It has an option to acquire the remaining 21,125 outstanding shares from Federal Pacific Electric Company for a nominal amount. For accounting purposes this subsidiary is treated as though it were wholly-owned.

3. Basis of translation of foreign currencies:

The accounts of the Australian and Caribbean subsidiaries have been translated to Canadian dollars as follows:

(a) Current assets and liabilities – at the exchange rate prevailing on June 30, 1970.

(b) Fixed assets, shareholders' equity and depreciation expense – at historical rates prevailing at dates of acquisition.

(c) Revenue and expenses other than depreciation – at the average rate during the fiscal year.

4. Deferred charges:

Deferred charges include unamortized discount and other expenses of issue of the Series A debentures – \$167,301 (1969 – \$181,072).

5. Income taxes:

The provision for income taxes includes:

	1970	1969
Current taxes	\$ 1,831,300	\$ 1,880,400
Deferred taxes	38,700	(400)
	<u>\$ 1,870,000</u>	<u>\$ 1,880,000</u>

The provision for deferred income taxes is in respect of capital cost allowances claimed for income tax purposes in excess of the allowable depreciation charged in the accounts, and other timing differences in the calculation of taxes payable.

6. Long-term debt:

	1970	1969
6½% secured sinking fund debentures, Series A maturing April 15, 1987, with annual sinking fund payments (\$97,000 in 1971 and thereafter gradually increasing to \$267,000 in 1986). The balance of \$1,505,000 is payable at maturity.	\$ 4,209,000	\$ 4,300,000
6½% mortgage loan of subsidiary, repayable in monthly instalments, maturing in 1989	331,006	338,439
7½% mortgage loan of subsidiary, repayable in monthly instalments, maturing in 1987	40,462	• —
	<u>4,580,468</u>	<u>4,638,439</u>
Amount due within one year	118,042	99,131
Amount due after one year	<u>\$ 4,462,426</u>	<u>\$ 4,539,308</u>

The 6½% secured sinking fund debentures, Series A, are secured by a Deed of Trust and Mortgage which, inter alia, provides for dividend restrictions under certain conditions. The financial position of the companies is such that these restrictions are not applicable at this time.

7. Changes in capital stock during the year:

(a) 715 first preference shares were converted into 2,860 Class A shares at the stated value of \$35,750, thus reducing the authorized first preference capital stock from 170,648 to 169,933 shares, and the outstanding from 50,648 to 49,933 shares.

(b) 8,170 Class A shares were issued as partial consideration in the acquisition of Eastech Limited, at a value determined by the directors to be the fair equivalent of \$142,975.

(c) 55,600 Class B shares held by Federal Pacific Electric Company were converted into Class A shares (see Note 8).

8. Capital stock:

5½% cumulative convertible first preference shares, Series A:

Each first preference share, Series A is convertible into four Class A shares up to and including January 15, 1979. The conversion rate is subject to adjustment to protect the conversion privilege against dilution in certain events. The first preference shares, Series A are redeemable at a premium of 4½% which reduces periodically until January 15, 1973 and thereafter becomes 2%.

Class A shares:

Employees of the company have options which expire March 10, 1974 to purchase 17,800 Class A shares at \$22 a share.

Class A shares are reserved as follows :

(a) for the possible conversion of the outstanding Class B shares	467,308 shares
(b) to satisfy outstanding options	17,800 shares
	<u>485,108 shares</u>

Class B shares :

55,600 Class B shares may be converted during each dividend year into Class A shares on a share for share basis provided certain conditions have been met with respect to earnings and payment of Class A share dividends. This conversion privilege was exercised in the current year. After the Class A shares have received dividends aggregating 56 cents per share and the Class B shares have received dividends aggregating 5.6 cents per share in any dividend year, the Class B shares are entitled to receive additional dividends aggregating 50.4 cents per share before any further dividends are paid on the Class A shares. Additional dividends paid in excess of the 56 cents per share on both classes of shares are to be shared equally on a share for share basis.

9. Earnings per share :

The calculations of earnings per share shown in the consolidated statement of earnings are based on the weighted average number of shares outstanding during each year. Dividends paid on the preference shares were deducted from consolidated earnings for purposes of the calculations.

The calculations of fully diluted earnings per share assume the conversion of all preference shares (Note 8) and the issue of shares reserved for the exercise of options at the beginning of the year (in 1969, the date of issue of the options) and that the funds received on the exercise of the options had been invested to produce an annual return of 8% less applicable income taxes.

10. Lease and option :

A subsidiary has entered into an agreement to lease premises for a term of twenty years, to April 30, 1990, at an annual rental of \$92,500. By additional annual payments of \$8,300, the subsidiary has until May 1, 1975 the right to purchase the leased premises.

Consolidated statement of source and application of working capital

	Year ended June 30	
	1970	1969
Source of working capital :		
Operations—		
Net earnings	\$ 1,627,661	\$ 1,572,971
Non-cash charges deducted in determining net earnings—		
Depreciation	615,245	483,644
Amortization of deferred charges—		
Debt discount and expense and patents	20,350	16,442
Other	17,219	7,122
Deferred income taxes	38,700	(400)
Loss (gain) on disposal of fixed assets	(400)	8,109
	<u>691,114</u>	<u>514,917</u>
Total from operations	2,318,775	2,087,888
Shares issued (Note 7)	142,975	4,400
Disposal of fixed assets	8,965	22,700
Minority shareholders' equity in subsidiary company	9,500	—
Special refundable tax	—	106,508
Long-term debt of subsidiary acquired	<u>41,160</u>	<u>—</u>
	2,521,375	2,221,496
Application of working capital :		
Fixed asset additions	1,088,372	1,327,740
Dividends	704,746	695,368
Cost of shares of subsidiary over net book value	139,018	69,252
Minority shareholders' equity acquired	—	34,958
Current portion of long-term debt	<u>118,042</u>	<u>99,131</u>
	2,050,178	2,226,449
Increase (decrease) in working capital	471,197	(4,953)
Working capital at beginning of year	<u>11,542,611</u>	<u>11,547,564</u>
Working capital at end of year	<u>\$12,013,808</u>	<u>\$11,542,611</u>

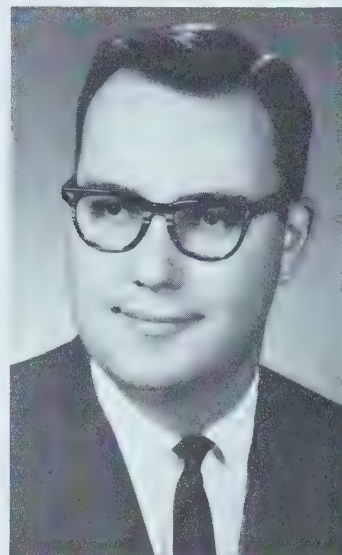
See accompanying notes to financial statements.



At FPE-Pioneer we are continually looking for men who will contribute to our current efforts and can be trained for executive responsibility in the future. It is on this programme that our success both now and in the future depends. Some examples of our efforts in this direction are shown below. There are, of course, many other members of our staff whose careers with the Company have been just as successful. While space does not allow publication of all of these, their contributions to the growth and prosperity of the Company are gratefully acknowledged.



Doug Baldwin joined the Power Equipment Division in 1967 in the Marketing Division. He is presently the Product Manager of the Division and has an extensive experience in the sale and marketing of transformers.



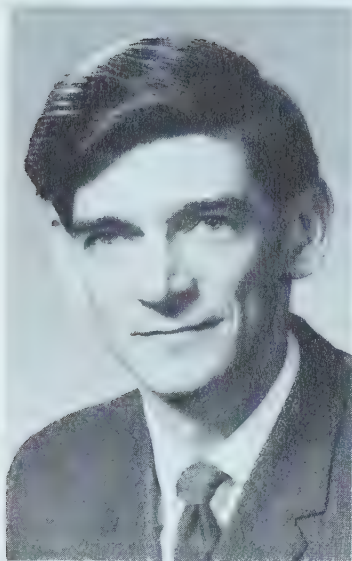
Ed Fraser graduated in Civil Engineering from the University of Toronto in 1960. He joined the Company as a result of our University recruitment programme that year. Starting as a Sales Trainee, he was transferred to Vancouver in 1961 as a Sales Engineer. He was posted to London, Ontario in 1963 becoming Marketing Manager for Low Voltage Distribution Equipment in 1966. He is now the Manager of Marketing Services in the Distribution Products Division.



Hans Gaastra received his degree in Electrical Engineering in Holland. He joined the Company in 1955 as an Engineer at the Regina Plant. From 1959 to 1962 he was a transformer designer at Red Deer. He returned to Regina as Plant Manager in 1962 remaining there until 1967 when he was made Manager of the Granby Plant. He has recently been appointed Manager of the Eastern Division of the Power Equipment Division of the Company.



Mike Moloney came to Canada in 1955, after war service in the Royal Navy Fleet Air Arm and jobs in the metal working industry in England. His first and only employer in Canada has been this Company. Starting as an inspector in the Stab-lok Department in Toronto, he has progressed through various positions and is now the Manager of the Granby Switch-gear Plant.



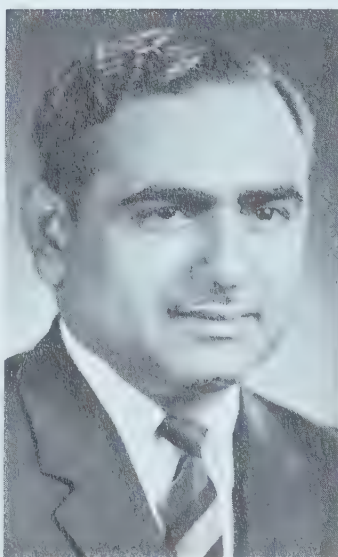
Peter Beck graduated from Liverpool University in 1950 as a B.Sc. and after a period of service in the R.A.F. spent 14 years in the U.K. designing transformers of the highest output and voltage, including converter transformers for use in DC transmission schemes. Mr. Beck has been Chief Transformer Designer with the Power Equipment Division since October, 1967.



Colin MacPhee is a graduate of Oxford University and holds an Honours Degree in Natural Science. He has had many years of experience in the development and design of solid state devices. He joined us in 1967 and is now the Manager of the Systems Protection and Control Department in the Distribution Products Division.



Eldie Dillon is a B.Sc. and a B.E. in Electrical Engineering. During the war he was with the R.C.N.V.R. overseeing the manufacture and the testing of equipment for the Royal Canadian Navy and the British Admiralty. He had further experience in the Design section of a Canadian transformer Company. He joined FPE-Pioneer in 1952 as Manager of the Red Deer Plant. In 1960 he became Chief Engineer in Winnipeg and in 1964 was appointed Director of Research and Development of the Power Equipment Division.



Satya Nand Sardana is a native of India. After obtaining his Masters Degree in Economics he came to Canada joining FPE-Pioneer in 1965 as an estimator. He is now Chief Estimator at the Bramalea Switchgear Plant.

Gala Bramalea opening

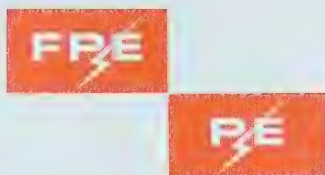


Above: exterior view of the new Bramalea plant.

Below: some of the many visitors who were present.



Mr. George Gathercole, Chairman of the Ontario Hydro Electric Power Commission, performs the opening ceremony.



Plants and offices

Sales Offices

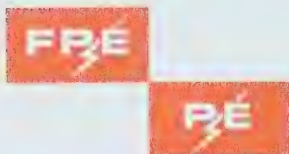
1078 Robie Street,
Halifax, Nova Scotia
63 Union Street,
Saint John, New Brunswick
53 Hillcrest Drive,
P.O. Box 601,
Moncton, New Brunswick
P.O. Box 248,
Ste. Foy, Quebec
239 Denison St. West,
Granby, Quebec
3333 Cavendish Blvd.,
Montreal 261, Quebec
2627 Coleman Street,
Ottawa 8, Ontario
377 Brant Street,
Burlington, Ontario
1157 Prince Philip Drive,
London, Ontario
48 Blackfriar's Place,
Kitchener, Ontario
19 Waterman Avenue,
Toronto 16, Ontario
445 Horner Avenue,
Toronto 14, Ontario
407 Orenda Road,
Bramalea, Ontario
832 Maplegrove Drive,
North Bay, Ontario
944 St. James Street,
Winnipeg, Manitoba
101 Rockman Street,
Winnipeg 19, Manitoba
11th and Richmond Street,
Brandon, Manitoba
21 Lindsay Drive,
Saskatoon, Saskatchewan
7814 MacLeod Trail S.W.,
Calgary, Alberta
11819-145th Street,
Edmonton, Alberta
10810-119th Street,
Edmonton, Alberta
255 Viking Way,
Richmond, British Columbia

Plants

561 Maisonneuve Street,
P.O. Box 550,
Granby, Quebec
Brome Street,
Granby, Quebec
19 Waterman Avenue,
Toronto 16, Ontario
445 Horner Avenue,
Toronto 14, Ontario
407 Orenda Road,
Bramalea, Ontario
101 Rockman Street,
Winnipeg 19, Manitoba
11th and Richmond Street,
Brandon, Manitoba
1600 First Avenue,
Regina, Saskatchewan
5727-53A Avenue,
Red Deer, Alberta
255 Viking Way,
Richmond, British Columbia

Associated and subsidiary companies

Cornell-Dubilier Electric Corporation,
Newark, New Jersey 07101, U.S.A.
Cornell-Dubilier Electronics (Taiwan) Inc.,
Taoyuan, Taiwan
Eastech Limited,
Windsor, Nova Scotia
Federal Pacific Electric Company,
Newark, New Jersey 07101, U.S.A.
Federal Electric Limited,
Wolverhampton, England
Federal Pacific Electric Ges.m.b.H.,
St. Martin/Innkreis, Austria
Federal Pacific Electric Caribbean Limited,
Spanish Town, Jamaica, W.I.
Federal Pacific Electric de Mexico, S.A. de C.V.,
Mexico City, Mexico
FPE Australia Pty. Ltd.,
Liverpool, Australia
FPE South Africa (Pty.) Ltd.,
Johannesburg, South Africa
Machinery Electrification, Inc.,
Northboro, Mass., U.S.A.
S.A.C.E.,
Bergamo, Italy
Wesix Electric Heater Company,
Chico, California, U.S.A.



FPE-PIONEER ELECTRIC LIMITED

Head office:

101 Rockman Street, Winnipeg 19, Manitoba

Executive offices:

19 Waterman Avenue, Toronto 16, Ontario

Transfer agents for first preference shares:

Canada Trust Company
Toronto, Montreal, Winnipeg and Vancouver

Transfer agents for class A shares:

National Trust Company, Limited
Toronto, Montreal, Winnipeg and Vancouver

IF YOUR ADDRESS HAS BEEN CHANGED PLEASE FILL IN AND MAIL THIS FORM TO:

AR42lders
TRUST COMPANY, 110 Yonge Street, Toronto 210

For Class A Shares

NATIONAL TRUST COMPANY, LIMITED, 21 King Street East, Toronto 210

STOCK REGISTERED IN NAME OF (TYPE OR PRINT)

NEW ADDRESS

OLD ADDRESS

DATE

Signature of Shareholder

(Sign name exactly as it appears on share certificate)

**Report to Shareholders**

For the six months ended December 31, 1969

FPE - PIONEER ELECTRIC LIMITED

Dec. 31, 1969

FINANCIAL DATA

	For the six months ended December 31		
	1969	1968	1967
Net Sales.....	\$19,950,500	\$17,860,600	\$15,776,800
Net Earnings Before Taxes.....	1,766,200	1,738,500	1,780,100
Provision for Taxes.....	980,200	914,200	966,600
Net Earnings After Taxes.....	786,000	824,300	813,500
*Earnings Per Share.....	.73	.77½	.82

*Calculated after giving effect to the payment of First Preference share dividends (1969—\$69,082, 1968—\$72,981, 1967—\$80,721). Number of Class A and Class B Common shares outstanding at December 31, 1969—989,105, at December 31, 1968—969,323, at December 31, 1967—892,713.

The above figures are subject to audit and year-end adjustments.

IF YOUR ADDRESS HAS BEEN CHANGED PLEASE FILL IN AND MAIL THIS FORM TO:

AR42

Shareholders
A TRUST COMPANY, 110 Yonge Street, Toronto 210

NATIONAL TRUST COMPANY, LIMITED, 21 King Street East, Toronto 210

STOCK REGISTERED IN NAME OF (TYPE OR PRINT)

NEW ADDRESS

OLD ADDRESS

DATE

Signature of Shareholder

(Sign name exactly as it appears on share certificate)

FPE

Report to Shareholders

PE

For the six months ended December 31, 1970

FINANCIAL DATA

	For the six months ended December 31		
	1970	1969	1968
Net Sales.....	\$22,670,500 ✓	\$19,950,500 ✓	\$17,860,600
Net Earnings Before Taxes.....	2,075,500	1,766,200	1,738,500
Provision for Taxes.....	1,072,200	980,200	914,200
Net Earnings After Taxes.....	1,003,300 ✓	786,000 ✓	824,300
*Earnings Per Share.....	.94 ✓	.73 ✓	.78
Fully Diluted Earnings Per Share.....	.84	.66	.70

* Calculated after giving effect to the payment of First Preference share dividends (1970—\$67,207, 1969—\$69,082, 1968—\$72,981). The weighted average number of Class A and Class B shares outstanding at December 31, 1970 was 992,106, at December 31, 1969—981,270, at December 31, 1968—968,757.

The above figures are subject to audit and year-end adjustments.